DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814

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November 30, 1992	Reason for this Transmittal
ALL COUNTY LETTER NO. 92-106	 [] State Law Change [X] Federal Law Change
TO: ALL COUNTY WELFARE DIRECTORS	[] Court Order or Settlement Agreement
	[] Clarification Requested by One or More Counties [] Initiated by SDSS

SUBJECT: SOCIAL SECURITY COST-OF-LIVING ADJUSTMENT (COLA)

Social Security recipients will receive a 3.0 percent cost-of-living increase in their Social Security benefits effective December 1, 1992, which is payable January 1993. The new Social Security benefit amount can be determined by multiplying the "old" Social Security benefit amount by 1.03. This increase will affect cash assistance grant and Food Stamp allotment amounts and could affect eligibility for Aid to Families with Dependent Children (AFDC) including AFDC/Foster Care, Refugee Cash Assistance (RCA), Entrant Cash Assistance (ECA), and Food Stamp cases. If the grant or allotment amounts are adjusted due to the Social Security benefit increase, the requirements for a timely and adequate Notice of Action shall apply.

Payment Verification System (PVS) COLA Notification

The California Department of Social Services (CDSS) will not be providing additional notification of the Social Security COLA by way of the Payment Verification System (PVS). However, upon request, a cost-of-living printout or magnetic tape will be provided to the counties. The COLA printouts will not be subject to the 45-day timeliness requirements of the Income Eligibility Verification System (IEVS).

AFDC, RCA, ECA and Food Stamp Monthly Reporting Cases

For continuing cases, the Social Security increase must be reported on the January 1993 CA 7, due in February 1993, and retrospectively budgeted to determine grant and allotment amounts for March 1993. These increases must also be considered prospectively when determining income eligibility for the month of January.